

EXTENDED TO AUGUST 15, 2019

Form **990-T****Exempt Organization Business Income Tax Return**  
(and proxy tax under section 6033(e))

OMB No 1545-0687

**2017**

For calendar year 2017 or other tax year beginning OCT 1, 2017, and ending SEP 30, 2018

Go to [www.irs.gov/Form990T](http://www.irs.gov/Form990T) for instructions and the latest information.

Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for 501(c)(3) Organizations Only

Department of the Treasury  
Internal Revenue Service

<b>A</b> <input type="checkbox"/> Check box if address changed	<b>Print or Type</b>	Name of organization ( <input type="checkbox"/> Check box if name changed and see instructions.)	<b>D</b> Employer identification number (Employees' trust, see instructions)
<b>B</b> Exempt under section <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a)		BEST FRIENDS ANIMAL SOCIETY	23-7147797
		Number, street, and room or suite no. If a P.O. box, see instructions. 5001 ANGEL CANYON ROAD	<b>E</b> Unrelated business activity codes (See instructions)
		City or town, state or province, country, and ZIP or foreign postal code KANAB, UT 84741	453220
<b>C</b> Book value of all assets at end of year 147,534,278.		<b>F</b> Group exemption number (See instructions.)	
		<b>G</b> Check organization type <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust	

**H** Describe the organization's primary unrelated business activity. **GIFT SHOP SALES****I** During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ☐ Yes ☒ No

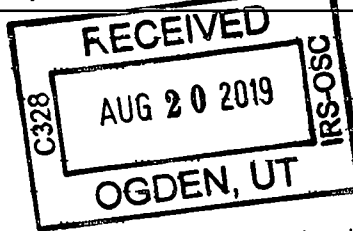
If "Yes," enter the name and identifying number of the parent corporation.

**J** The books are in care of **STEPHEN HOWELL, CHIEF OPERATING OF** Telephone number **435-644-2001**

<b>Part I Unrelated Trade or Business Income</b>		(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales	34,953.			
b Less returns and allowances		1c 34,953.		
2 Cost of goods sold (Schedule A, line 7)		2 13,283.		
3 Gross profit. Subtract line 2 from line 1c		3 21,670.		21,670.
4 a Capital gain net income (attach Schedule D)		4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)		4b		
c Capital loss deduction for trusts		4c		
5 Income (loss) from partnerships and S corporations (attach statement)		5		
6 Rent income (Schedule C)		6		
7 Unrelated debt-financed income (Schedule E)		7		
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F)		8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)		9		
10 Exploited exempt activity income (Schedule I)		10		
11 Advertising income (Schedule J) ✓		11 140,829.	39,249.	101,580.
12 Other income (See instructions; attach schedule)		12		
13 <b>Total.</b> Combine lines 3 through 12		13 162,499.	39,249.	123,250.

**Part II Deductions Not Taken Elsewhere** (See instructions for limitations on deductions)  
(Except for contributions, deductions must be directly connected with the unrelated business income)

14 Compensation of officers, directors, and trustees (Schedule K)	14	
15 Salaries and wages	15	9,295.
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	
20 Charitable contributions (See instructions for limitation rules)	20	
21 Depreciation (attach Form 4562)	21	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	22b
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	101,580.
28 Other deductions (attach schedule)	28	3,982.
29 <b>Total deductions.</b> Add lines 14 through 28	29	114,857.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	8,393.
31 Net operating loss deduction (limited to the amount on line 30)	31	
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	8,393.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33	1,000.
34 <b>Unrelated business taxable income.</b> Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	7,393.



SEE STATEMENT 1

**Part III Tax Computation****35 Organizations Taxable as Corporations.** See instructions for tax computationControlled group members (sections 1561 and 1563) check here ☐ See instructions and**a** Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order)

(1) \$ (2) \$ (3) \$

**b** Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$

(2) Additional 3% tax (not more than \$100,000) \$

**c** Income tax on the amount on line 34

SEE STATEMENT 3

35c 1,442.

**36 Trusts Taxable at Trust Rates** See instructions for tax computation. Income tax on the amount on line 34 from:☐ Tax rate schedule or ☐ Schedule D (Form 1041)

36

**37 Proxy tax** See instructions

37

**38 Alternative minimum tax**

38

**39 Tax on Non-Compliant Facility Income** See instructions

39

**40 Total.** Add lines 37, 38 and 39 to line 35c or 36, whichever applies

40 1,442.

**Part IV Tax and Payments****41a Foreign tax credit** (corporations attach Form 1118; trusts attach Form 1116)

41a

**b Other credits** (see instructions)

41b

**c General business credit.** Attach Form 3800

41c

**d Credit for prior year minimum tax** (attach Form 8801 or 8827)

41d

**e Total credits.** Add lines 41a through 41d

41e

**42 Subtract line 41e from line 40**

42 1,442.

**43 Other taxes.** Check if from ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach schedule)

43

**44 Total tax.** Add lines 42 and 43

44 1,442.

**45a Payments.** A 2016 overpayment credited to 2017

45a

9,615.

**b 2017 estimated tax payments**

45b

**c Tax deposited with Form 8868**

45c

**d Foreign organizations: Tax paid or withheld at source** (see instructions)

45d

**e Backup withholding** (see instructions)

45e

**f Credit for small employer health insurance premiums** (Attach Form 8941)

45f

**g Other credits and payments.**☐ Form 4136☐ Form 2439☐ Other

Total

45g

**46 Total payments.** Add lines 45a through 45g

46 9,615.

**47 Estimated tax penalty** (see instructions) Check if Form 2220 is attached ☐

47

**48 Tax due.** If line 46 is less than the total of lines 44 and 47, enter amount owed

48

**49 Overpayment.** If line 46 is larger than the total of lines 44 and 47, enter amount overpaid

49 8,173.

**50 Enter the amount of line 49 you want: Credited to 2018 estimated tax**

8,173.

Refunded

50 0.

**Part V Statements Regarding Certain Activities and Other Information** (see instructions)**51** At any time during the 2017 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here ☒ SEE STATEMENT 2

Yes No

X

**52** During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.

X

**53** Enter the amount of tax-exempt interest received or accrued during the tax year \$

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer *MARC A. METCALF* Date 8/13/19

CHIEF OPERATING OFFICER Title

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

MARC A. METCALF

*MARC A. METCALF*

8/13/19

P00170461

Firm's name TANNER LLC

Firm's EIN 20-2253063

36 S STATE STREET, SUITE 600

Firm's address SALT LAKE CITY, UT 84111

Phone no. 801-532-7444

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**Schedule A - Cost of Goods Sold.** Enter method of inventory valuation **LOWER OF COST OR MARKET**

1	Inventory at beginning of year	1	205,263.	6	Inventory at end of year	6	153,641.
2	Purchases	2	-38,339.	7	Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7	13,283.
3	Cost of labor	3					
4a	Additional section 263A costs (attach schedule)	4a		8	Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
b	Other costs (attach schedule)	4b					X
5	Total. Add lines 1 through 4b	5	166,924.				

**Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)**  
(see instructions)

1. Description of property			
(1)			
(2)			
(3)			
(4)			
2. Rent received or accrued			
(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)		(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	
(1)			
(2)			
(3)			
(4)			
Total 0.		Total 0.	
3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)			
(1)			
(2)			
(3)			
(4)			
(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) 0.			
(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) 0.			

**Schedule E - Unrelated Debt-Financed Income** (see instructions)

1. Description of debt-financed property		2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property	
			(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals			Enter here and on page 1, Part I, line 7, column (A) 0.	Enter here and on page 1, Part I, line 7, column (B) 0.
Total dividends-received deductions included in column 8			0.	0.

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**Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations** (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

**Nonexempt Controlled Organizations**

7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				

			Add columns 5 and 10 Enter here and on page 1, Part I, line 8, column (A)	Add columns 6 and 11 Enter here and on page 1, Part I, line 8, column (B)
<b>Totals</b>			0.	0.

**Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization** (see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col 3 plus col 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A)		Enter here and on page 1, Part I, line 9, column (B)
<b>Totals</b>		0.		0.

**Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income** (see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3) If a gain, compute cols 5 through 7	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col (A)	Enter here and on page 1, Part I, line 10, col (B)			Enter here and on page 1, Part II, line 26
<b>Totals</b>		0.	0.			0.

**Schedule J - Advertising Income** (see instructions)**Part I - Income From Periodicals Reported on a Consolidated Basis**

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1)						
(2)						
(3)						
(4)						
<b>Totals (carry to Part II, line (5))</b>		0.	0.			0.

**Part II** **Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col 2 minus col 3) If a gain, compute cols 5 through 7	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4)
(1) BEST FRIENDS MAGAZINE	140,829.	39,249.	101,580.		1,827,409.	101,580.
(2)						
(3)						
(4)						
<b>Totals from Part I</b>	0.	0.				0.
<b>Totals, Part II (lines 1-5)</b>	Enter here and on page 1, Part I, line 11, col (A) 140,829.	Enter here and on page 1, Part I, line 11, col (B) 39,249.				Enter here and on page 1, Part II, line 27 101,580.

**Schedule K - Compensation of Officers, Directors, and Trustees** (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
<b>Total.</b> Enter here and on page 1, Part II, line 14			0.

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FORM 990-T	OTHER DEDUCTIONS	STATEMENT	1
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DESCRIPTION	AMOUNT
CREDIT CARD FEES	1,032.
TRAVEL	525.
POSTAGE AND SHIPPING	84.
TELEPHONE	54.
OTHER GIFT SHOP	2,148.
SUPPLIES	139.
TOTAL TO FORM 990-T, PAGE 1, LINE 28	3,982.

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FORM 990-T	NAME OF FOREIGN COUNTRY IN WHICH ORGANIZATION HAS FINANCIAL INTEREST	STATEMENT	2
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NAME OF COUNTRY

CAYMAN ISLANDS  
BRITISH VIRGIN ISLANDS

FORM 990-T

LINE 35C TAX COMPUTATION

STATEMENT 3

1.	TAXABLE INCOME . . . . .		7,393	
2.	LESSER OF LINE 1 OR FIRST BRACKET AMOUNT . .		7,393	
3.	LINE 1 LESS LINE 2 . . . . .		0	
4.	LESSER OF LINE 3 OR SECOND BRACKET AMOUNT . .		0	
5.	LINE 3 LESS LINE 4 . . . . .		0	
6.	INCOME SUBJECT TO 34% TAX RATE . . . . .		0	
7.	INCOME SUBJECT TO 35% TAX RATE . . . . .		0	
8.	15 PERCENT OF LINE 2 . . . . .		1,109	
9.	25 PERCENT OF LINE 4 . . . . .		0	
10.	34 PERCENT OF LINE 6 . . . . .		0	
11.	35 PERCENT OF LINE 7 . . . . .		0	
12.	ADDITIONAL 5% SURTAX . . . . .		0	
13.	ADDITIONAL 3% SURTAX . . . . .		0	
14.	TOTAL INCOME TAX			1,109
15.	TAX AT 21% RATE EFFECTIVE AFTER 12/31/2017		1,553	
		DAYS		
16.	TAX PRORATED FOR NUMBER OF DAYS IN 2017	92	280	
17.	TAX PRORATED FOR NUMBER OF DAYS IN 2018	273	1,162	
18.	TOTAL TAX PRORATED	365		1,442